

# Waste, Fraud, and Abuse Elimination Task Force

- ***REFORMING GOVERNMENT***
- ***ELIMINATING WASTE***
- ***SAVING TAXPAYER DOLLARS***

**PUBLIC COMMENTS  
AND SUGGESTIONS  
QUARTERLY REPORT**

**OCTOBER-DECEMBER 2012**

February 2013

## **WISCONSIN REFORM MATERIALS ARE AVAILABLE ON THE INTERNET**

To save taxpayer dollars and promote transparency in government, all quarterly reports of the Governor's Waste, Fraud, and Abuse Elimination Task Force have been published on the Internet for the public's view.

More of Governor Walker's reforms and the comprehensive Waste, Fraud, and Abuse Commission report can be viewed via the Governor's reform website at: <http://www.walker.wi.gov/Wisconsin-Reform>.

To submit an idea directly to the Governor's Waste, Fraud, and Abuse Elimination Task Force, go to: <http://www.bestpractices.wi.gov>.

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## A. Letter from the Governor

Dear Fellow Wisconsinites:

State government should be transparent, efficient, and engage in a continuous improvement process with the goal of delivering quality services to its citizens at the most affordable price possible. Unfortunately, this has not always been the case in Wisconsin.

From 2003-2010, Wisconsin's biennial budget increased 33 percent to over \$62 billion, and the Pew Center for the States identified Wisconsin as a state in fiscal peril. This is why, upon taking office in January 2011, I created a bipartisan Commission on Waste, Fraud, and Abuse. The goal was to create efficiencies by eliminating waste, fraud, and abuse in Wisconsin government.

In January of 2012, the Commission published its final report detailing their results and recommendations. The report included a total savings potential for state and local governments of more than \$455 million annually.

That is a great start, but identifying waste is not enough; we need to eliminate it. To that end, during my State of the State address in January 2012, I announced the creation of the Governor's Waste, Fraud, and Abuse Elimination Task Force. This Task Force is charged with reviewing the Commission's recommendations and investigating submissions from the public and state employees to continue our focus on saving taxpayer dollars and making Wisconsin government more efficient.

This report is the fourth report and includes 139 submissions from the public and state employees. In total, there were 412 suggestions in 2012. Through the case studies and reporting in this report you can see how the Task Force is responsive to the public and working with state agencies to be diligent and frugal with taxpayer dollars.

Right-sizing state government includes state government being a good steward of taxpayer dollars. The Commission and Task Force are steps to do this. By instilling a continuous improvement philosophy in state government, we can improve the quality of government and reduce its price to taxpayers.

Working together, we can be successful and continue to move Wisconsin forward.

Sincerely,

A handwritten signature in black ink, appearing to be 'Scott Walker', with a stylized flourish at the end.

Scott Walker  
Governor

## B. Executive Summary

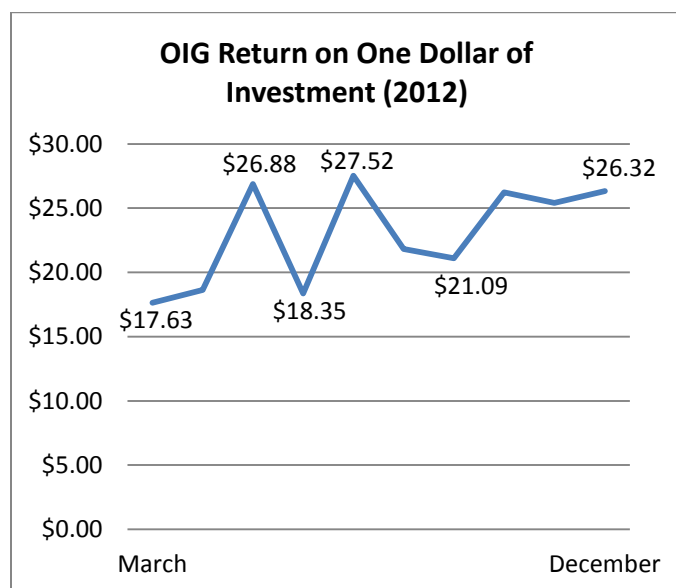
This report highlights the activities of the Governor's Waste, Fraud and Abuse Elimination Task Force (Task Force) in the fourth quarter of 2012 from October to December as it relates to submissions from the public and state employees. The Task Force was created on January 25, 2012, and was announced during Governor Walker's 2012 State of the State address.

The Task Force reviews and investigates submissions from the public via [bestpractices.wi.gov](http://bestpractices.wi.gov). These submissions are reviewed and investigated, along with input from state agencies, by the Task Force members.

This is a summary of the submissions to the Task Force in the fourth quarter of 2012. As well, there are recommendations included that have been made by the Task Force to state agencies.

Highlights from this quarterly report:

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- ✓ The Office of Inspector General in the Department of Health Services continues to achieve positive results. They recouped or prevented \$12.3 million in fraudulent public assistance payments in 2012. Their return on investment averaged \$23 per dollar invested.
- ✓ There were 139 submissions from the public in the fourth quarter of 2012. This is the most of any quarter in 2012. The overwhelming majority of these submissions are resolved and all have been reviewed by the Task Force.

### C. Input from the Public

From October through December 2012, the Task Force received a total of 139 submissions from the public and state employees.

As shown in Table 1, the most common topic of the public submissions related to government efficiency (28.1% of total). The next most common topics other than various other were public assistance and transportation.

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Table 1

Topics	Percentage
Government Efficiency	28.1%
Various Other	23.7%
Public Assistance	23.0%
Transportation	8.6%
Health Exchange	4.3%
Vehicle License Plates	2.9%
Campaigns and Elections	2.2%
Voter ID	2.2%
Payroll	1.4%
Tax Reform	1.4%
Education	0.7%
Jobs	0.7%
Public Employee Benefits	0.7%

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Suggestions included in the column 'Various Other' include issues such as complaints unique to a specific location, random agency complaints not easily categorized, and other topics that are too unique to categorize. However, these suggestions along with all others are reviewed by the Task Force.

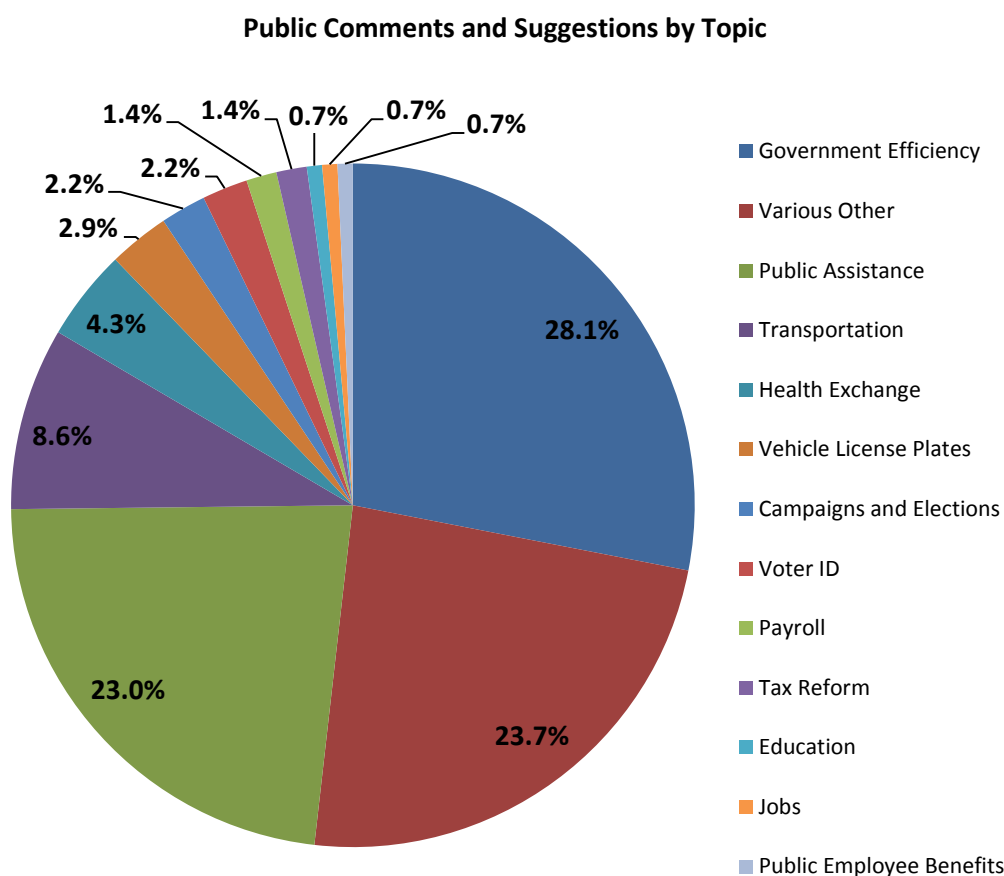
Of the total submissions received by the Task Force, the vast majority has been resolved (83.5% of total). A complete breakdown on the status of public submissions is shown in Table 2.

## D. Public Comments and Suggestions

The Governor and Task Force are grateful for the ideas and the interest shown from the public and state employees to continue the focus to save taxpayer dollars and make government more efficient.

The Task Force reviews and investigates submissions from the public to the Task Force via [bestpractices.wi.gov](https://bestpractices.wi.gov). These submissions are first reviewed and investigated, along with input from state agencies, by the Task Force members in the Governor's office and, after the review process is complete, decisions to advance these recommendations are brought before the full membership of the Task Force.

Figure 1



As shown below in Table 2 and Figure 2, 83.5% of public comments and suggestions submitted to the Task Force in the fourth quarter of 2012 have since been resolved either by Task Force members in the Governor's Office or by the Task Force's state agency sub-groups. Of the remaining submissions, 13.7% are under review. All submissions receive a response from the Task Force thanking the individual for their submission.

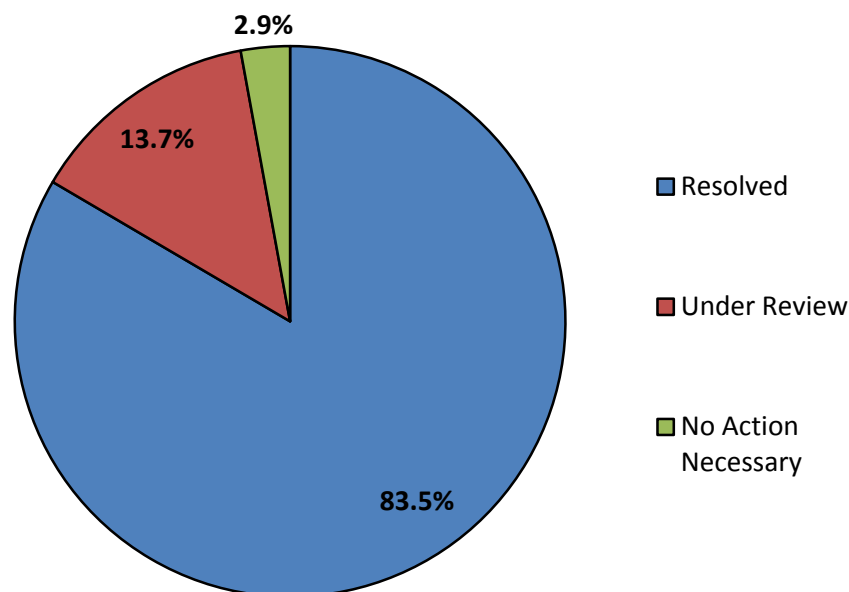
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Table 2

**Status of Public Comments and Suggestions**

Status	Percentage
Resolved	83.5%
Under Review	13.7%
No Action Necessary	2.9%
No Response Necessary	0.0%
<b>Total</b>	<b>100.0%</b>

Figure 2





## **E. Select Case Submitted to the Task Force**

Public comments and suggestions submitted to the Task Force involve a variety of issues. Some submissions involve topics with a narrow focus, while other comments and suggestions require a broader review, such as evaluating the efficiency and success of a state program. The following case submitted to the Task Force was selected to highlight a submission from October to December 2012 that was reviewed by the Task Force.

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### **Use of Sick Leave in the Department of Corrections**

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The Task Force received a comment and suggestion from a Department of Corrections (DOC) employee regarding sick leave use. This employee was supportive of recent reforms, but wanted more to be done.

#### **Background:**

In the Governor's Waste, Fraud, and Abuse Commission's final report, they identified overtime misuse, specifically sick leave use and how it interacts with overtime, as a concern and made suggestions for improvement. DOC implemented new policies in January of 2012 that have improved the situation. After one full calendar year of implementation, we can see how the changes have impacted overtime compensation costs.

In total, calendar year to calendar year the state saw a reduction of \$8.4 million in overtime costs or more than 21%.

Overtime is a vital and necessary part of operating the state's 24 hour a day institutions. State employees must be fairly compensated for the time they work.

#### **Action:**

- ✓ The changes in overtime policies will continuously be reviewed for improvement through employee and administrator engagement.

<b>DOC Overtime Comparison by Calendar Year and Pay Period</b>			
<b>CY 2011</b>	<b>CY 2012</b>	<b>CY'12 to CY'11</b>	<b>% change '12 to '11</b>
\$1,369,727	\$837,398	-\$532,329	-38.9%
\$1,112,455	\$973,659	-\$138,796	-12.5%
\$1,498,852	\$983,731	-\$515,121	-34.4%
\$1,225,331	\$1,083,758	-\$141,574	-11.6%
\$1,257,549	\$698,529	-\$559,021	-44.5%
\$1,285,145	\$788,145	-\$497,000	-38.7%
\$994,270	\$777,507	-\$216,763	-21.8%
\$1,153,660	\$952,921	-\$200,739	-17.4%
\$1,322,763	\$928,051	-\$394,712	-29.8%
\$1,498,199	\$1,084,80	-\$413,397	-27.6%
\$1,481,303	\$1,065,156	-\$416,147	-28.1%
\$1,966,925	\$1,352,608	-\$614,317	-31.2%
\$1,876,235	\$1,339,731	-\$536,504	-28.6%
\$1,838,322	\$1,342,791	-\$495,530	-27.0%
\$1,906,959	\$1,382,756	-\$524,203	-27.5%
\$1,877,193	\$1,384,353	-\$492,840	-26.3%
\$1,697,885	\$1,523,315	-\$174,569	-10.3%
\$1,520,192	\$1,257,809	-\$262,383	-17.3%
\$1,624,343	\$1,142,595	-\$481,748	-29.7%
\$1,449,501	\$1,293,137	-\$156,365	-10.8%
\$1,350,939	\$1,264,797	-\$86,142	-6.4%
\$1,508,555	\$1,359,803	-\$148,752	-9.9%
\$1,556,126	\$1,375,038	-\$181,088	-11.6%
\$1,413,511	\$1,251,727	-\$161,783	-11.4%
\$1,136,410	\$1,068,987	-\$67,423	-5.9%
\$1,462,598	\$1,435,393	-\$27,205	-1.9%
<b>\$38,384,948</b>	<b>\$29,948,496</b>	<b>-\$8,436,453</b>	<b>-21.6%</b>

## F. Waste, Fraud, and Abuse Task Force Updates

### Department of Health Services Office of Inspector General Update

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Governor Walker [announced the creation](#) of the Office of the Inspector General (OIG) in the fall of 2011. The goal was to consolidate and improve DHS's public assistance program integrity and fraud prevention efforts. The OIG is assisting in implementing final recommendations made by the Governor's Commission on Waste, Fraud and Abuse as well.

Previously, program integrity and anti-fraud efforts were housed within individual programs located throughout the Department. The OIG brought each of these efforts into one office reporting directly to the Secretary. The individual programs serve more than one million people and have a biennial budget of more than \$14 billion.

Below are some results from the OIG. The totals include metrics beginning in March of 2012.

#### Results from the Recipient Fraud Unit

	July 2012	Aug 2012	Sep 2012	Oct 2012	Nov 2012	Dec 2012	2012 Totals
<b>Recipient Fraud Unit</b>							
Benefits Saved (Cost Avoidance)	\$832,044	\$683,280	\$658,476	\$890,048	\$752,790	\$819,990	<b>\$7,309,118</b>
Payments Recouped	\$648,779	\$486,767	\$463,260	\$503,653	\$608,096	\$569,121	<b>\$5,008,010</b>
Investigations Completed	504	638	373	469	406	414	<b>4286</b>
Persons Suspended from FoodShare Program	10	12	21	27	16	37	<b>172</b>
Program Costs (Estimated)	\$54,167	\$54,167	\$54,167	\$54,167	\$54,167	\$54,167	<b>\$541,670</b>
Benefit/Cost Ratio (program savings per dollar spent on fraud detection)	\$27.52	\$21.82	\$21.09	\$26.22	\$25.41	\$26.32	<b>\$22.99</b>
							<b>Average</b>

## **G. Task Force Membership**

Becky Kikkert

Wisconsin Department of Workforce Development

Brian Hayes

Budget Director and Administrator, Division of Executive Budget and Finance

Wisconsin Department of Administration

Waylon Hurlburt

Policy Advisor

Office of Governor Scott Walker

Jack Jablonski

Deputy Secretary

Wisconsin Department of Revenue

Steve Krieser

Executive Assistant

Wisconsin Department of Transportation

Helen McCain

Administrator, Division of Enterprise Operations

Wisconsin Department of Administration

Kevin Moore

Executive Assistant

Wisconsin Department of Health Services

Dennis Schuh

Executive Assistant

Wisconsin Department of Corrections

Summer Shannon-Bradley

Administrator, Division of Facilities Development

Wisconsin Department of Administration

